

CHAPTER 1

PAY PLANS

Pay plans established pursuant to DoD Instruction 1401.1 (reference (a)) for DoD Nonappropriated Fund (NAF) positions fall into two categories; those that are covered by the provisions of P.L. 92-392 (reference (b)), and those that are not.

A. Those covered by the provisions of reference (b) are:

1. Crafts and Trades (CT). CT employees, sometimes referred to as prevailing rate employees, are paid an hourly rate from a locality wage schedule, NA (for nonsupervisory positions), NF (for leader positions), or NS (for supervisory positions). (See Federal Personnel Manual (FPM) Supplement 532-2, "Federal Wage System--Nonappropriated Fund Employees," reference (c)).
2. Special Pay Schedules. Some NAF employees covered by the provisions of reference (b) are paid under special pay schedules other than the regular schedule, and include commission, piece rate, and tip credit plans. Implementation of special pay schedules and assignment of positions to such schedules require DoD and Office of Personnel Management (OPM) approval.
3. Special Rates or Rate Ranges. Unusual circumstances may warrant the authorization of increased minimum or special rates or rate ranges within an area for specialized occupations (CT) critical to the mission of a NAF activity.

B. Positions not covered by the provisions of reference (b) are:

1. Administrative Support (AS) and Patron Services (PS). AS and PS employees are sometimes referred to as prevailing rate employees and are paid an hourly rate on a seven-grade AS or PS locality wage schedule. Although not covered by the provisions of reference (b), the DoD has administratively extended certain parts of that law to AS and PS positions. (See 1401.1-M, "Personnel Policy Manual for Nonappropriated Fund Instrumentalities, " reference (d)).
2. Universal Annual (UA). UA employees are paid on an annual rather than hourly basis. Salaries are administratively set at the same level as the General Schedule for those grades included in the UA pay plan (UA-5 through UA-18).
3. Special Pay Schedules. Some NAF employees are paid under special pay schedules other than the regular schedule. Implementation of special pay schedules and assignments of positions to such schedules require DoD approval.
4. Special Rates or Rate Ranges. Unusual circumstances may warrant the authorization of increased minimum or special rates or rate ranges within an area for specialized occupations (UA, AS, and PS) critical to the mission of a NAF activity.